



Town of Arlington, Massachusetts
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Finance Committee Minutes 01-28-2001

ARLINGTON FINANCE COMMITTEE
 MINUTES OF MEETING
 7:30 PM ONeill room Community Safety Building
 Jan. 28, 2002

ATTENDEES:

Janowitz*	Feinleib*	Kocur*	O'Neill*	Mahoney
DeCoursey*	Connors*	Simmons*	Morrisette*	
Tosti	Foskett*	Deyst	Ronan*	
Piandes	Franclemont*		Olsen*	
DuBois*	Howard*	Fanning*	Tosi*	Kneeland*

- Indicates present

VISITORS: Town Treasurer John Bilafer, School Committee Member Paul Schlichtman

GENERAL: Foskett, as Chair, announced that the Warrant is not ready. Also the preliminary budget spread sheet is not ready. Serious budget imbalance is expected. The meeting on Wed. [Jan. 30] is canceled. The next meeting is Monday, Feb 4.

SCHOOL BUDGET: The Education Subcommittee (Ronan), using a handout, reviewed the administration-proposed school budget that meets the FinCom-proposed bottom line (a 3.8% increase). Estimated cost increases were \$2.092m (6.8%). Some 20 reductions were itemized which total \$920k (2.8%).

ESTABLISHMENT OF MUNICIPAL ELECTRIC POWER COMPANY: Schlichtman provided a copy of the warrant article he submitted, and some newspaper clippings on the topic. He believes deregulation makes it possible for the town to maintain the distribution grid while buying power at an attractive rate. He has talked with Belmont, which has its own power company. They are interested in working with Arlington. Schlichtman thinks that power outages are a hidden cost to municipal services as well as being a serious inconvenience to residents. He believes that home-rule legislation may be required. The likely first step is to form a volunteer study committee. He answered a variety of questions:

Is the objective lower cost or increased reliability? Both.

Why is municipal power cheaper? Less overhead.

Are the distribution facilities in Arlington in poor condition? Doesnt know.

How was the present mix of public & private power providers arrived at? In the early 20th century as the power industry was getting established.

How will the study committee be organized? Schlichtman will return with more details.

What will be the study committees objective? Schlichtman will return with more details.

REVIEW OF TREASURERS ARTICLES: conducted by Bilafer. Copies of each article provided.

RESCIND AUTHORITY TO BORROW: Standard housekeeping article.

RETIREE HEALTH CARE TRUST FUND: To appropriate the difference in the current non-contributory pension budget and its budget several years ago about \$176k, to this fund. The hope is eventually to create a self-supporting fund.

PENSION ADJUSTMENT: This is an annual article that creates a pension floor to counteract the effect of inflation, especially for former employees with small pensions. No appropriation required. Will be paid by pension system.

EARLY RETIREMENT INCENTIVE: This would allow the Town to act on early retirement legislation should it be passed by the state Legislature.

INCREASED DEPENDENT ALLOWANCE: The Retirement Board recommends a one-time appropriation of \$2,700 to approximately double the annual payment to children of retirees under age 21. This would make payments to this group equivalent to what they would receive if the Town had merged its funds with the State fund when the State fund was established.

COMMITTEE BUSINESS:

Next meeting Feb 4.

Peter B. Howard,
secretary